Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

LIMITED OFFICIAL USE

PAGE 01 ANKARA 05006 011424Z
ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00
DODE-00 DOTE-00 INR-07 NSAE-00 EPG-02 FAA-00 L-03
SS-15 NSC-05 PA-01 PRS-01 USIA-06 TRSE-00 /062 W
----------024455 011944Z /62
R 011235Z JUL 77
FM AMEMBASSY ANKARA
TO SECSTATE WASHDC 8031
INFO AMCONSUL ADANA
AMCONSUL IZMIR
AMEMBASSY LONDON
AMCONSUL ISTANBUL

LIMITED OFFICIAL USE ANKARA 5006

E.O. 11652: N/A
TAGS: EAIR, BDIS, TU
SUBJECT: PAN AM SETTLES DISPUTE OVER HANDLING CHARGES OUT OF COURT

REF: ANKARA 5001

1. PAN AM WILL SETTLE OUT OF COURT SIX-YEAR OLD DISPUTE RELATING TO HANDLER'S CHARGES FOR LOADING AND UNLOADING COMPANY'S AIRCRAFT IN TURKEY AND ASSOCIATED ROYALTY FEES. SUM TO BE PAID AMOUNTS TO $1.2 MILLION. PAN AM HAS REFUSED PAYMENT UNTIL NOW ON GROUNDS THAT CHARGES ARE FOR SERVICES NOT RECEIVED.

2. MICHAEL GEORGE, GENERAL MANAGER FOR PAN AM IN TURKEY, SAID JUNE 30 THAT COMPANY MADE AGREEMENT IN 1967 WITH TURHOL, PRIVATE TURKISH HANDLER OF BAGGAGE, MAIL AND FREIGHT AT ISTANBUL AIRPORT FOR TURHOL MANPOWER TO OPERATE PAN AM HANDLING EQUIPMENT. IN 1969, REGULATIONS UNDER TURKISH LAW 6686 ESTABLISHED HANDLING CHARGES AND ROYALTY FEES, THE LATTER A
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ANKARA 05006 011424Z

GOVERNMENT LEVY OF ABOUT 10 PERCENT OF CHARGES MADE BY TURKISH HANDLERS. FOLLOWING PROMULGATION OF THESE REGULATIONS, TURHOL CLAIMED THAT PAN AM WAS NOT PAYING FULL CHARGES REQUIRED UNDER LAW 6686. AGREEING THAT IT WAS NOT, PAN AM DEFENDED ITS POSITION ON GROUNDS THAT TURHOL WAS SUPPLYING ONLY MANPOWER. IN 1971, TURHOL TOOK DISPUTE TO COURT. IN ANKARA, PAN AM IS ENTIRELY SELF-HANDLING; NEVERTHELESS,

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

IT HAS BEEN ASKED TO PAY ROYALTY FEES RETROACTIVE SIX YEARS.

3. EXPERIENCE OF OTHER AIRLINES MAKES PAN AM BELIEVE THAT IT CANNOT WIN ITS CASE. MOST AIRLINES, INCLUDING BEA, ALITALIA, KLM, AND POSSIBLY PAKISTAN AIRLINES, HAVE PAID CHARGES. ONLY PAN AM AND AIR FRANCE HAVE RESISTED. SWISS AIR AND AFGHANISTAN AIRLINES LOST THEIR CASES. AIRLINES WHICH BEGAN TO SERVE TURKEY AFTER 1974 HAVE BEEN SUBJECT TO UNEQUIVOCAL REGULATIONS WHICH REQUIRE THEM TO PAY ENTIRE HANDLING FEE AND 10 PERCENT ROYALTY ON IT.
DILLON

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DISPUTES, AIRLINES
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ANKARA05006
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770235-1176
Format: TEL
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197707100/aaaadiyy.tel
Line Count: 73
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 43fd8662-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 ANKARA 5001
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 10-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1723690
Secure: OPEN
Status: NATIVE
Subject: PAN AM SETTLES DISPUTE OVER HANDLING CHARGES OUT OF COURT
TAGS: EAIR, BDIS, TU, PANAM
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/43fd8662-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009